

# Arizona Department of Health Services

## Division of Behavioral Health Services

### PROVIDER MANUAL

## **Section 7.1**      **Fraud and Abuse Reporting**

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### **7.1.1      Introduction**

The reporting of potential fraud and abuse is intended to avoid the misappropriation of Federal, State and Local funds. In the context of this section of the provider manual, fraud is considered an act of purposeful deception committed by a person or behavioral health provider to gain an unauthorized benefit. Abuse committed by a behavioral health provider (for purposes of this section of the provider manual) means activities that are inconsistent with standard fiscal business or medical practices and that result in unnecessary costs to the AHCCCS and/or ADHS/DBHS programs. Persons receiving care in the behavioral health system can also commit acts of abuse (e.g., by loaning or selling their AHCCCS identification card).

Behavioral health providers must be cognizant of potential fraud and abuse within the public behavioral health system. When detected, behavioral health providers are obligated to report such occurrences to the appropriate Tribal or Regional Behavioral Health Authority (T/RBHA) or State entity. Fraud and abuse can result in the misuse of Federal and State funds, can jeopardize the care and treatment of persons receiving behavioral health services and can result in monetary fines, criminal prosecution, the termination of providers and prohibition from participation in Medicare/Medicaid Programs. This section outlines the procedures for behavioral health providers to report potential cases of fraud and/or abuse.

### **7.1.2      References**

The following citations can serve as additional resources for this content area:

- [AHCCCS/ADHS Contract](#)
- [ADHS/T/RBHA Contract](#)
- [42 CFR 438.608](#)
- [A.R.S. § 36-2918.01](#)
- [A.R.S. § 13-2310](#)
- [Reporting of Incidents, Accidents and Deaths Section](#)

### **7.1.3      Scope**

**To whom does this apply?**

- All T/RBHA enrolled persons receiving behavioral health services; and
- All behavioral health providers.

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#### 7.1.4 Did you know...?

- This section does not include information regarding the abuse of a person who has been determined to be seriously mentally ill (SMI). [Section 7.4, Reporting of Incidents, Accidents and Deaths](#) contains information for reporting abuse of persons determined to have a serious mental illness.
- T/RBHAs are responsible for ensuring that mechanisms are in place for the prevention, detection and reporting of fraud or abuse.
- Upon becoming aware of a suspected incident of fraud or abuse, a T/RBHA or provider has 10 working days to inform the ADHS/DBHS Office of Program Support and the AHCCCS Office of Program Integrity of suspected fraud and abuse in writing.
  - ADHS/DBHS Office of Program Support  
150 N. 18<sup>th</sup> Ave., Suite 280  
Phoenix, Arizona 85007
  - AHCCCS Office of Program Integrity  
801 E. Jefferson Street  
Phoenix, Arizona 85034
- All employees of behavioral health providers must be familiar with the types of fraud and abuse that could occur during their normal daily activities.
- ADHS/DBHS and each T/RBHA have designated a compliance officer and compliance committee designed to prevent and detect suspected fraud or abuse.
- Any person who knowingly obtains any benefit by means of false or fraudulent pretenses, representations, promises or material omissions is guilty of a Class 2 Felony.

#### 7.1.5 Objectives

To identify requirements for behavioral health providers to report suspected cases of fraud or abuse.

#### 7.1.6 Definitions

[Abuse](#)

[Fraud](#)

#### 7.1.7 Procedures

##### 7.1.7.A. Reporting of fraud and abuse

Behavioral health providers must immediately notify their contracted T/RBHA of all suspected incidents of fraud or abuse. **[T/RBHA insert specific instructions here, include any forms providers must submit]**

If a behavioral health provider suspects that a T/RBHA may have committed an act of fraud or abuse, the behavioral health provider must contact the ADHS Office of Program Support or AHCCCS Office of Program Integrity.